



Overview

This is a new provision in the new United States-Mexico-Canada Agreement (USMCA) that requires each Party to maintain a risk management system to focus inspection on high-risk goods. There was no such provision in the North American Free Trade Agreement (NAFTA).

References

- **USMCA**
 - *Final Text*: Chapter 7, Article 7.12
- **NAFTA**
 - No provision.

Significant Changes in USMCA

Provision	USMCA	NAFTA
Risk Management System	New provision in USMCA. <ul style="list-style-type: none">• Each USMCA Party must maintain a risk management system that enables it to focus inspection activities and high-risk goods.	No provision.

Detailed USMCA/NAFTA Side-by-Side

Provision	USMCA	NAFTA
Risk Management System	<ul style="list-style-type: none">• Each Party shall maintain a risk management system for assessment and targeting that enables its customs administration, and other agencies involved in the process for cross border trade, to focus inspection activities on high-risk goods and that simplifies the release and movement of low-risk goods.• Each Party shall base risk management on assessment of risk through appropriate selectivity criteria.• Each Party shall design and apply risk management in a manner as to avoid arbitrary or unjustifiable discrimination, or disguised restrictions on international trade.• In order to facilitate trade, each Party shall periodically review and update, as appropriate, its risk management system.	<ul style="list-style-type: none">• Not specified.